

13 JUL 1972

WATERGATE INCIDENT

1. BACKGROUND

Over the week-end of 1-2 July 1972 James W. McCord negotiated to retain F. Lee Bailey as his attorney. At a preliminary hearing in District of Columbia Superior Court on 6 July 1972, Mr. McCord was bound over to the grand jury after an unsuccessful attempt by his current attorney, Gerald Alch, to have burglary charges against his client dropped.

Bernard L. Barker has retained as his attorney Henry Rothblatt, of New York City. Mr. Rothblatt defended Colonel Oran Henderson during his court-martial in connection with the Mylai incident in Vietnam.

The remaining three Watergate incident suspects continue to retain Joseph A. Rafferty as their attorney, although he has stated that they will soon all have their own lawyers.

2. ROBERT R. MULLEN AND COMPANY

Robert Foster Bennett, Director and Executive Vice-President of Robert R. Mullen and Company, the Washington, D. C., public relations firm which employed Everette Howard Hunt, has admitted to the press a former relationship between his firm, Radio Free Cuba, and this Agency. Robert R. Mullen and Company currently provides cover for two Agency assets. Of interest also is the fact that the mention of Robert R. Mullen and Company in the press has caused Philip Agee, a disaffected former Agency staff officer who is planning to write a book about the Agency, to comment that he is aware of certain cover arrangements entered into by the Agency and Robert R. Mullen and Company in the past.

3. AMERITAS, INCORPORATED

Ameritas, Incorporated, has now been identified as a legitimate real estate firm in Miami, Florida. Principal officers are Miguel A. Suarez and Bernard L. Barker

4. AGENCY EMPLOYEE

On 5 July 1972 Donald T. Hester, DDP/Covert Action Staff, received an inquiry from Mr. Carl Bernstein, of the Washington Post, in regard to Howard Hunt. Mr. Hester has been socially and professionally acquainted with Mr. Hunt for 20 years. An Office of Security representative plans to contact Mr. Hester for details.

5. WHITE HOUSE STAFF

Charles W. Colson is a Special Assistant to President Nixon, and reportedly hired Everette Howard Hunt, Jr., as a White House Consultant. Mr. Colson was born on 16 October 1931 at Boston, Massachusetts. In 1963 he was employed by Craig Systems, Incorporated, Lawrence, Massachusetts, and held a Secret Air Force clearance. In August 1964, he was a legal consultant to the Controls Division of the Leach Corporation, Azusa, California, with offices at Gadsby, Hannah, Colson and Merin, 729 15th Street, Washington, D. C. On 9 September 1964 he was cleared at the Secret level for use on an Agency contract with the Leach Corporation. The contract, which was security-supervised by Mr. Louis Edward Sherrard, terminated on 17 December 1969. Mr. Sherrard's relationship with Mr. McCord has been previously reported.

6. FEDERAL BUREAU OF INVESTIGATION INTERVIEWS

A. Stephen T. Anderson

Stephen T. Anderson, as noted previously, was a summer employee of this Agency in 1963 and 1965, and is currently a Security Officer for the Committee for the Re-election of the President. Mr. Anderson was interviewed by the FBI on 30 June 1972. He told them he had no knowledge of the case, explained his relationship with Messrs. McCord and Hunt, and identified their photographs.

B. Juan Rigoberto Ruiz Villegas

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Ruiz Villegas is a former asset of the (Santiago, Chile, Station) and a personal friend of (Donald Read Heath.)⁰³ Villegas was interviewed by the FBI on 27 June 1972. He was asked if he knew why Mr. McCord had paid ⁰³ (Donald Heath) by check, and gave the same explanation reported earlier--that the payments were for odd jobs he (Ruiz Villegas) performed for Mr. McCord. The FBI also asked the names of persons employed at McCord Associates; what work he did for Mr. McCord; whether Mr. McCord ever brought cameras to the office; and the degree of access Ruiz Villegas had to Mr. McCord's office files. Ruiz Villegas claimed he answered all questions truthfully.

7. FORMER AGENCY ASSET IS FATHER OF PARTNER OF
BERNARD L. BARKER

Miguel A. Suarez Fernandez is the father of Miguel A. Suarez Sarrain, the real estate partner of Bernard L. Barker. Suarez Fernandez was granted a Provisional Operational Approval in 1962 for use in radio and written propaganda, apparently for the Voice of Cuba. His file does not reflect whether or not he was ever used, although one source reported a rumor that he was one of the directors of Radio Swan. His Provisional Operational Approval was cancelled in October 1962.

Suarez Fernandez was born in Las Villas, Cuba, on 5 July 1903. He received a law degree at the University of Havana in 1924. Active in Cuban politics, he was elected a senator on four successive occasions, and served as President of the Senate from 1945 to 1950. In 1950 he was reportedly associated with the Revolutionary Insurrectional Union, a gangster-type organization which he reportedly used to further his political ends. He was named Minister of State in May 1951, but resigned in August and went to Spain. In 1952 he returned to Cuba and occupied posts under Batista for a short period. In 1954 he was again elected a senator, representing Las Villas.

8. SON OF FORMER AGENCY ASSET IS PARTNER OF
BERNARD L. BARKER

Miguel A. Suarez mentioned in an earlier Watergate Incident Status Report dated 26 June 1972, has now been correctly identified as Miguel A. Suarez Sarrain. The previously reported information about his real estate partnership with Bernard L. Barker and his Republican Party activities in Florida is correct. He has not, however, been in contact with this Agency at any time, and the Agency has had no contact with his firm, Ameritas. On the other hand, his father, Miguel A. Suarez Fernandez, was granted a Provisional Operational Approval in 1962, as noted previously.

Miguel A. Suarez Sarrain was born in Cuba in about 1936, and is a United States citizen. He is married to Yolanda Suarez Sarrain, was educated in the United States, and passed the Florida Bar examinations in 1963. Prior to 1965 he was a law clerk for Attorney Ellis S. Rubin, Miami Beach, Florida. He also worked as secretary of the Pan American Drug Company in Miami, of which his father was President. Suarez Sarrain was an unsuccessful Republican candidate for mayor of Miami in 1971.

9. FEDERAL BUREAU OF INVESTIGATION INQUIRIES

The Federal Bureau of Investigation has inquired regarding the following additional individuals and activities:

A. William Marihugh

The specific reason for the FBI's interest in Mr. Marihugh was not stated. Mr. Marihugh entered on duty with this Agency on 31 March 1958. He retired under a medical disability as a GS-14 Electronics Engineer on 16 February 1972.

B. Morton Barrows Jackson

Mr. Jackson and Everette Howard Hunt are believed to have been in contact with each other during early 1972. Mr. Jackson listed Mr. Hunt as a Character Reference on his Agency employment application in August 1950.

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Mr. Jackson was a (covert) Agency asset in (Bangkok, Thailand,) from February 1951 until January 1954. He was an occasional contact of the (Bern, Switzerland, 15-10 Station) later during 1954, but has had no Agency affiliation since that time. He now practices law in Los Angeles, California.

C. Operation Rival

No specifics were provided by the FBI, except that the query was related to Eugenio Rolando Martinez Careaga. Agency checks to date have revealed no reference to this operation.

D. Manuel Giberga

The Miami Field Office of the FBI expressed an interest in Mr. Giberga. Although he expressed interest in Agency employment in 1966, he has never been an Agency employee. He was said to be Secretary General of La Cruz (The Cross) in 1960. This was allegedly a Cuban anti-Communist underground organization.

E. Santiago Morales Diaz

The Miami Field Office of the FBI expressed an interest in Morales Diaz. He was a member of the Brigade 2506, was infiltrated into Cuba before the Bay of Pigs invasion, and evaded capture until August 1961. He was sentenced to death, then to 30 years. He escaped from prison in 1967, was recaptured, and as of February 1972 was reported to be still a prisoner. He was known by the war name "Diego." Also, a person named Santiago Morales, matronymic unknown, used the war name "Felipe" during 1961.

F. Miguel Suarez Sarrain

Mr. Sarrain is the real estate partner of Bernard L. Barker, one of the principals in the Watergate incident. The data regarding Suarez Sarrain outlined elsewhere in this memorandum was furnished to the FBI.

G. Reinaldo Quintero

The Miami Field Office of the FBI expressed an interest in this individual.

Quintero, also known as "Felipe," was a Cuban Air Force Captain who was a member or contact of Unidad Revolucionaria (Revolutionary Unity) in Cuba.

H. Manuel Ogarrio
aka: Manuel Ogarrio Daguerre

The Federal Bureau of Investigation expressed an interest in Subject. Agency traces were negative.

I. War Name "Felipe"

The Miami Field Office of the FBI expressed an interest in this name. Our research led to the possibility that the name might be linked to Santiago Morales Diaz or to Reinaldo Quintero.

10. MEDIA PUBLICITY

The following additional persons have received mention in the media in connection with the Watergate incident:

- A. Humberto Lopes is identified in the press as having been at the Watergate at the time of the alleged attempt to install listening devices in the Democratic National Committee Headquarters. He also has been identified by the press as a member of the Ex-Combatientes Cubanos de Fort Jackson, although one report says he is not. No identifiable data in Agency files.
- B. William Alexander, North Miami Beach, Florida, is mentioned in the press as the former President of Ameritas, Incorporated. He is an Eastern Air Lines test pilot, and a veteran of the Bay of Pigs. On the basis of information available to date, he is not identifiable in Agency records.

- C. Leonard Glasser, Miami, Florida, architect, is mentioned in the press as having been asked by Bernard L. Barker, to provide him last year with blueprints of the Miami Beach Convention hall and its air conditioning system. No identifiable traces.
- D. Michael J. Morrissey, Chief Engineer, B. R. Fox Incorporated, Holmes, New York, is mentioned in the press as a wiretapping expert. He provided general commentary on the field of wiretapping. No identifiable information.
- E. Hector de Lara is mentioned in the press as an accountant, and Treasurer of Ameritas, Incorporated. No identifiable data.
- F. Robert C. Mardian is mentioned in the press as a Republican Party official whom Mr. McCord reportedly called twice during the week before the Watergate incident. He is a former Assistant Attorney General in charge of the Division of Internal Security, and was a special assistant to the former Republican Party campaign director, John N. Mitchell. Mr. Mardian claimed not to know Mr. McCord, and said he might have talked to him about clearing a driver for the Republican Convention. Unidentified press sources state that Mr. Mardian and Mr. McCord were acquainted in 1969-1970, when Mr. Mardian was General Counsel with the Department of Health, Education and Welfare.

Agency files reflect that Mr. Mardian was born on 23 October 1923 in Pasadena, California. The Federal Bureau of Investigation conducted a favorable background investigation on him in March 1969. He was granted Special Clearances by the Agency in December 1970 in connection with his work at the Department of Justice. The clearances were dropped when he left there, effective 1 May 1972.

- G. Manuel Artime is mentioned in the press as a Cuban exile military leader of the 1961 invasion, and one with "links to the Republican Party." He is otherwise listed as Manuel Artime Buesa. Headquarters files contained extensive data, but not in relation to the Watergate incident.

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- H. Dorothy N. Berry, of Houston, Texas, is mentioned in the press as a sister-in-law of James W. McCord, and one of the officers of McCord Associates. No identifiable Agency data.
 - I. Kenneth W. Parkinson is mentioned in the press as an attorney representing the Nixon Re-Election Committee. He testified at a hearing in the damage suit brought by the Democratic National Committee against the principals in the Watergate incident. No identifiable data.
 - J. Angel Ferrer, Miami, Florida, is mentioned in the press as having been at the Watergate at the time of the raid. Ferrer claims he was actually in Miami then. He is identified in the press as a former member of Ex-Combatientes de Fort Jackson, a Cuban exile organization. Not identifiable on the basis of available information.
 - K. Charles W. Colson is identified in the press as a Special Consultant to the President, and Everette Howard Hunt, Jr., is alleged to have served as his part-time "consultant." The news media states that Colson and Hunt are "friends" dating back to 1966, when they were officers of the Brown University Club of Washington. Agency traces reflect a relationship with him as a consultant to an Agency contractor between 1964 and 1969 as reported above.
 - L. Mario Lazo is identified in the press as a lawyer now living in Norfolk, Connecticut, who represented Americans in Cuba, and who asked Edward Bennett Williams help some years ago to get Bernard L. Barker's citizenship back.

This individual is Mario Lazo y Guiral, a 77 year old lawyer and writer who represented American interests in Cuba for many years. He is an American citizen, and was an "unofficial" contact of the Havana Station. He has been in frequent contact with the Agency over the years, and was considered for use as a Spotter in 1962. As recently as November 1971, Lazo was of interest to the Boston Office of the Domestic Contact Service. He has had no other official relationship with the Agency.

- M. Dr. Miguel Alvarez, of Miami, Florida, is mentioned in the press as a contributor of funds to obtain Bernard L. Barker's release on bail. Dr. Alvarez is a grandfather of Mr. Barker's daughter, Maria Elena Barker Moffett.
- N. F. Lee Bailey, nationally known trial lawyer, has agreed to meet with James W. McCord to discuss his case with him, according to press reports. No pertinent Agency traces
- O. Representative William S. Moorehead is identified in the press as Chairman of the House Foreign Operations and Government Information subcommittee, which is looking into the activities of the Special Analysis Division an Air Force Wing involved in wartime information coordinating activities. Until January 1972, the unit was commanded by James W. McCord. Mr. McCord resigned from the unit because of "pressure from outside ventures and business activities.
- P. Urban A. Lester is identified in the press as one of three lawyers representing Douglas Caddy. (Douglas Caddy was brought into the Watergate case by the wife of Bernard L. Barker. Caddy is a personal friend of Bernard L. Barker, and is to be called as a witness to explain his own association with E. Howard Hunt.)

Mr. Lester was born on 24 August 1929 at Knoxville, Tennessee. He received a Bachelor of Arts Degree at Catholic University of America in 1954, and a Doctor of Laws Degree there in 1959. He was admitted to the District of Columbia Bar in 1962. From 1963 to 1969 Mr. Lester served as Special Counsel with the Federal Home Loan Bank, and from 1967 to 1969 represented the State of Alaska. He is a member of the Federal and American Bar Associations, and a Captain in the U. S. Air Force Reserves.

Mr. Lester is associated with Lester and Contrucci, Suite 709, 1776 K Street, N. W., Washington, D. C.; telephone: (202) 659-9010.

- Q. Jose Garciga is identified in the press as one of the three subscribers to the articles of incorporation of Ameritas, and involved with Barker Associates, Miami, Florida, in the building of the Biarritz Tower, a Miami condominium.

Garciga may be identical to Jose Ricardo Ramon Garciga Orbe, born 31 August 1922 in Cuba. He came to the United States on 9 September 1961. In May 1962, he was an unemployed accountant, and had been a member of the MRR, an anti-Castro group. He was interviewed by a representative of the Contacts Division of this Agency on 6 April 1962, at the request of Robert King High, Mayor of Miami. Garciga Orbe was at that time interested in organizing a group to sail close to Cuba to intercept Cuban radio broadcasts. He planned to interject disrespectful statements, and to correct any untruthful statements.

- R. Marta E. Palamo is identified in the press as the secretary of Miguel A. Suarez (Sarrain) at Ameritas, and one of the incorporators of that firm. No identifiable data.

- S. Maria E. Rios is identified in the press as one of the incorporators of Ameritas. No identifiable data.

- T. Henry B. Rothblatt is mentioned in the press as the new attorney (7 July 1972) for Bernard L. Barker. The press indicates that Mr. Rothblatt defended Colonel Oran Henderson in the MyLai massacre case. Agency files contain references to Mr. Rothblatt's association with the "Green Berets" case.

- U. Gerald Alch, described in the news media as an associate of F. Lee Bailey, accompanied James W. McCord to his District of Columbia Superior Court hearing on 6 July 1972. Agency files have revealed no record on Mr. Alch.

11. OTHER PERSONS WHOSE ACTIVITIES RELATE TO THOSE OF JAMES W. MC CORD, JR.

- A. Norton R. Schonfeld is mentioned by Dr. Edward M. Gunn as Coordinator of the Law Enforcement Curriculum at

Montgomery Junior College, Rockville, Maryland. He is a former Agent of the Federal Bureau of Investigation and of the Office of Special Investigations. He resides at 6013 Kirby Road, Bethesda, Maryland. No identifiable traces.

- B. Robert H. Muhlback is identified by Dr. Edward M. Gunn as an associate of the Center for Protection and Safety Studies, Rockville, Maryland, whose Director is James W. McCord, Jr. Agency indices contain no record of Mr. Muhlback.
- C. Dennis V. Riley is mentioned by Dr. Edward M. Gunn as an associate of Mr. McCord's in the Center for Protection and Safety Studies, Rockville, Maryland. Riley is connected with the Beltway Alarm Service, 11205 Old Baltimore Pike, Beltsville, Maryland; telephone: 937-8880. Agency indices contain no identifiable record of Mr. Riley.
- D. Margarita Sarmiento Vega is mentioned by ⁰³Donald Read Heath as the ex-girlfriend of Juan Rigoberto Ruiz Villegas. No pertinent Agency traces.
- E. Robert L. Houston is mentioned by Stephen Tingley Anderson, an Agency dependent, as his supervisor at the Committee for the Re-election of the President.

Agency files contain only a reference to a Robert Lee Houston, born 20 October 1914 at McGregor, Texas; he was denied a security clearance in 1953 by the United States Coast Guard on grounds of "questionable loyalty." It is not known whether he is identical with the Robert L. Houston mentioned by Stephen Anderson.

- F. Glenn I. Sedam is an official of the ⁰³Republican National Committee with whom ⁰³Donald Read Heath made arrangements to employ Juan Rigoberto Ruiz Villegas on a part-time basis. Sedam has had no connection with this Agency.

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ADDENDUM

As of 11 July 1972, Everette Howard Hunt had reportedly agreed to talk with the authorities if he could find acceptable counsel. Press reports reflect that he has retained William O. Bittman, of Hogan and Hartson, 815 Connecticut Avenue, N. W., Washington, D. C. Agency files contain no record of any Agency affiliation on Mr. Bittman's part.

Mr. Bittman was born on 6 August 1931 at Milwaukee, Wisconsin. He received a Bachelor of Science Degree at Marquette University in 1956, and a Doctor of Laws Degree at De Paul University in 1959. Mr. Bittman was Assistant United States Attorney at Chicago, Illinois, from 1960 to 1963. He was Assistant Chief of the Criminal Division 1962 to 1963; Special Attorney, Organized Crime and Racketeering Section 1964; and Special Trial Attorney 1965 to 1967, Department of Justice.

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**QUESTION #2 - Anything in writing at the time in re requirement
levied on Martinez to report on Hunt.**

**ANSWER - No. But see attached explanation by Gonzalez
and Esterline.**

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